

Keep Education Costs as Low as Possible

- ▶ Complete the Free Application for Federal Student Aid (FAFSA) at www.fafsa.ed.gov as soon as possible after January 1st of each year for the best shot at scholarships or grants.
- ▶ Before borrowing, choose scholarships, grants and other awards that don't have to be repaid.
- ▶ Contact your school's financial aid office for information about institutional and other aid available at that school.
- ▶ If you need to borrow, consider the federal Stafford loan first; it's the lowest-cost loan available with no credit requirements.
- ▶ If you need to borrow beyond the federal Stafford, the ASEL is the next best option for Alaska students.

Why choose the Alaska Supplemental Education Loan?

- ▶ As a not-for-profit state agency, it is ACPE's mission in law and commitment to serve Alaska residents with the lowest costs possible.
- ▶ Low fixed interest rates and borrower benefits.
- ▶ Excellent customer service: 24-hour account access and a team of Alaskans who care about you.
- ▶ Loans are serviced by the Alaska Commission on Postsecondary Education.

Borrower Benefits

As your state higher education agency, ACPE's goal is to keep your costs as low as possible through annual cost reductions. Check out the current year's borrower benefits at acpe.alaska.gov.



COMPARE
federal and
state loans

Questions?

800.441.2962

907.465.2962
(in Juneau)

907.465-3143 TTY

acpe.alaska.gov



ACPE — *My Choice!*

7/2012



Alaska Supplemental Education Loan

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THE ALASKA SUPPLEMENTAL EDUCATION LOAN (ASEL) — a low-cost option for students to cover education costs not met through savings, grants, scholarships, or federal Stafford loans.

Eligibility

The Basics:

- ▶ Be a US citizen or eligible non-citizen, compliant with Selective Service requirements
- ▶ Be an Alaska resident or a student at an eligible school in Alaska
- ▶ Meet school FAFSA requirements
- ▶ Have a high school diploma or equivalent (GED), or a recognized Ability-To-Benefit alternative
- ▶ Enroll at least half time in a career/technical education certificate or degree-seeking program of study, including some programs not eligible for federal aid

Credit:

- ▶ Have a FICO credit score of 680 or higher, or an eligible cosigner
- ▶ Not be in default on a prior Alaska education loan
- ▶ Not be past due in Alaska child support obligations

All other requirements as stated under 20 AAC 15.705.

The Loan Application Process

1. Complete the ASEL application/promissory note packet. You'll get funds faster if you apply online at acpe.alaska.gov, where you can complete your credit check instantly if you choose. If you don't have a qualifying FICO score, you may add a credit-worthy cosigner while you're online.
2. If the application is approved, ACPE will send you a Loan Approval Disclosure (LAD) that you'll need to accept. It's fastest if you log back on to your acpe.alaska.gov account and electronically accept the loan.
3. Your loan funds will be sent to your school based on the school's scheduled financial aid disbursement dates, but no sooner than 10 days after you accept the LAD.

Make sure to check with the Financial Aid Office at your school to see if there are any other steps required for you to obtain financial aid.

What is a FICO score?

The FICO score is a credit score ranging from 300 to 850; higher is better.

The national average FICO score is 692 and the average Alaska score is 691.* A FICO credit score doesn't consider employment or income; it is based on your general history of incurring and repaying debt. Many high school seniors entering college for the first time may not have a 680 FICO score due to their limited credit history. A free score estimate is available at: <http://www.whatsmyscore.org/estimator/>.

*Source: www.money-zine.com- 2011 data

What are my options if I do not have a 680 FICO score?

You still have the opportunity to be approved if you have a cosigner who meets the required credit criteria. The online application process gives you the opportunity to send an instant request to a potential cosigner if you don't have the required FICO score.

Your family may also want to consider another Alaska state loan like the Alaska Family Education Loan (FEL) which does not require a FICO score, only an absence of derogatory credit.



ASEL Costs & Benefits

	In School	Repayment
Fixed Interest Rate	7.20% ¹ (7.39 APR) ²	7.20% ¹ (7.39 APR) ²
Borrower Benefits ³		
Alaska Presence	-0.50%	-0.50%
Online auto-pay		-0.25%
Lowest Rate Equivalent	6.70%	6.45%
Fees	5.00% origination fee (deducted from each ASEL disbursement)	

¹ The rate is set by the Alaska Student Loan Corporation Board

² APR = Annual Percentage Rate. The APR example assumes a principal loan amount of \$8,500, origination fee of 5%, freshman borrower scheduled for graduation in four years, with repayment beginning after a 6-month grace period. The APR does not include the effects of borrower benefits.

³ Borrower Benefits for are typically applied as quarterly or annual account credits or rate reductions to reduce the borrower-paid costs whenever the Alaska Student Loan Corporation has the capacity to do so. Benefits are variable, meaning that a new benefits package may be offered each program year. Borrowers who are delinquent or default on their loans may forfeit some or all benefits.

Loan Limits⁴

Program	Annual	Aggregate
Career Training (Vocational)	\$6,500	\$42,500
Undergraduate	\$8,500	\$42,500
Graduate	\$9,500	\$47,500
Combined		\$60,000

⁴You may not borrow more than your cost of attendance less other financial aid. Loan amounts are prorated based on the term of attendance. For example, an undergraduate student attending for only one semester is eligible for half of the annual limit (\$4,250).

Disbursement Your ASEL funds will be sent directly to your school's financial aid office, in accordance with their scheduled financial aid disbursement dates.

Repayment Repayment begins six months after you stop attending school at least half time. The standard repayment period is ten years. Your monthly payment will be based on your total debt, subject to a minimum of \$50.00 a month.